



Propane Education & Research Council (PERC) and U.S. Department of Energy Clean Cities Grant Partnership Program

OVERVIEW

The Propane Education & Research Council (PERC) and the U.S. Department of Energy (DOE) Clean Cities have developed a program that provides funds for propane deployment projects, for example, vehicles, infrastructure, vehicle technology, fuel system technology, etc. PERC and DOE Clean Cities have each contributed \$100,000 to the program. This partnership has created an opportunity for the propane industry and Clean Cities to develop deployment programs to stimulate market growth.

PURPOSE

This program will fund projects and document ways to successfully deploy propane-powered vehicle projects that increase the number of propane gallons sold, reduce America's dependence on petroleum and reduce emissions from conventionally powered vehicles.

This program will also help strengthen the propane industry's relationship with the DOE at the national, regional and local level. Through partnership development projects the propane industry will build relationships with essential stakeholders at multiple levels.

The number of awards and distribution of funds are subject to availability of funds and the quality of applications submitted, but no single award will be for more than \$50,000. The solicitation is looking for progressive projects and applications of the use of propane.

There is no requirement for applicants to provide cost share or a financial contribution, but projects involving cost share – in the form of cash or in-kind contributions – will be given additional consideration. An in-kind contribution is the reasonable value of property and services that benefit the project (for example, administrative support, installation and maintenance of equipment, and the cost of new vehicles).

Grant funds may be applied to:

- Incremental Cost of New Vehicles Incremental cost shall be calculated on the difference between the cost of the propane vehicle and the cost of a comparable conventional model verified by manufacturer estimate, after all other applicable manufacturer and local/State rebates and cash equivalent incentives are applied. For retrofitted vehicles, the incremental cost shall be based on the cost of the new fuel system plus installation after all other applicable manufacturer and local/State rebates and cash equivalent incentives are applied. Vehicle retrofits are limited to U.S. Environmental Protection Agency and/or California Air Resources Board emissions compliant vehicle systems. Funds are not available for non-fuel system upgrades such as transmissions and exhaust systems and should not be included in the incremental cost.



The Propane Education & Research Council was authorized by the U.S. Congress with the passage of Public Law 104-284, the Propane Education and Research Act (PERA), signed into law on October 11, 1996. The mission of the Propane Education & Research Council is to promote the safe, efficient use of odorized propane gas as a preferred energy source.

- Refueling Infrastructure Projects Infrastructure can include new dispensing facilities, or additional equipment or upgrades and improvements to existing propane refueling sites. Funding can be used to purchase equipment or to pay for specific fueling services by propane providers.
- Vehicle Technology Projects to introduce new propane vehicle technologies are also eligible for funding.
- Fuel System Technology Projects to introduce new fuel system technologies are also eligible for funding.

Projects utilizing propane systems technologies for on-road vehicles, including light, medium and heavy-duty vehicles are eligible. Technology for off-road applications will also be considered.

All applications using propane for the transportation market will be considered, but a high priority will be placed on applications addressing the following areas:

A. Airport Development Projects

Airports are under increased pressure to reduce emissions on both the “air” side and the “curb” side of the airport operations. This grant program is looking for projects that specifically target airport service vehicles operating on the “air” side, as well as vehicles capable of operating on-road.

Examples of the types of vehicles to be given priority are:

- Shuttle buses
- Snow plows
- Scissors trucks
- Fuel delivery trucks
- Ground service equipment (GSE)
- Others

B. On-Road Applications

This program will give priority to projects utilizing propane systems integration technologies for on-road vehicles, including light, medium and heavy-duty vehicles (for example, taxis, school buses and shuttle buses).

C. Idle Reduction Technologies

Projects that utilize new propane technologies to decrease vehicle idling time fill an important niche. The program seeks projects on power generation at truck stops and delivery locations as well as other idle reduction applications utilizing propane.

D. Lawn and Garden Equipment

New off-road emissions requirements create an opportunity for the propane industry to develop economical, dependable and clean propane systems for lawn and garden equipment. Various horsepower ranges that serve multiple platform applications will be considered.



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TIMELINE

Applications will be accepted October 24, 2005 and must include a preliminary proposal (a narrative work plan and an estimated budget) and all proposals must be submitted by noon (EST) on November 23, 2005. PERC will attempt to notify applicants whose proposals are chosen for further consideration within 30 days after submission. Remaining documentation is due 15 days after notification. Final selections and notifications will be made shortly thereafter, with all funding being committed to by December 2005.

All applications will be reviewed and preliminary projects will be selected. Those selected must then complete and submit a detailed work plan, a detailed timeline, a detailed explanation of the deliverables, and a final detailed budget within 15 days.

All projects must be completed and all grant funds must be spent by December 2006. Each successful applicant will be required to submit one-page quarterly reports (schedule established by project partners) and a detailed one-to-five page follow-up report that summarizes the project and includes challenges, successes, and lessons learned.

SUBMISSIONS

All applications should be submitted via email to Sandra Loi, Projects Coordinator at PERC, to sandra.loi@propanecouncil.org, with file sizes no larger than 2mb.

ADDITIONAL INFORMATION

For more information, visit <http://www.eere.energy.gov/cleancities> or <http://www.energy.maryland.gov/> or <http://www.propanecouncil.org> or contact PERC's Brian Feehan or Sandra Loi at (202) 452-8975.

Application guidelines provided on the following page.



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PROJECT APPLICATION GUIDELINES

Each eligible application will be evaluated according to the criteria set forth below. Applications that are best able to directly and explicitly address these criteria in their work plans will have a greater likelihood of being selected for an award. Each application will be rated under the defined points system, with a total of 110 points possible. Propane Marketers and Clean Cities Coalitions will receive an additional 5 points for each affiliation.

Criterion	Maximum Points per Criterion
Probability of Success: The technical feasibility of the project, the quality of the team, the level of commitment from team members that can be documented (letters of support or equipment, etc.)	25
Energy Security Benefits: Amount of petroleum (diesel or gasoline) the project displace, or the amount of much propane the project will use	25
Project Cost Share: Additional consideration will be given to applicants that can document additional cost-share, either in the form of cash or in-kind contributions.	20
Visibility of the Project: Amount and type of recognition that will be generated from the successful completion of the project.	15
Continued Market Growth: Extent to which project will contribute to future propane market growth after project is completed.	15
Membership/Affiliations: Propane Marketers and Clean Cities Coalitions will receive an additional 5 points for each affiliation.	10 Bonus Points Possible
Maximum Point Total	110

Other Factors

Project partners, in evaluating applications, will carefully consider other factors that are designed to ensure geographic equity, the demonstration of a variety of different applications, as well as a balance between urban and rural, and large and small fleets. These factors are:

- **Geographic Equity:** Project partners will attempt to distribute funds across the United States in urban and rural areas, as well as large and small fleets to determine how projects are implemented in different locations.
- **Air Quality:** Project partners are interested in knowing if the vehicles operate within an area that has poor air quality. Poor air quality areas can consist of areas designated (or at risk of future designation) by EPA to be in non-attainment or maintenance for a criteria pollutant, or that have localized air pollution problems.
- **Partners:** Project partners will consider letters of support for and/or commitment to the project from potential partners. These letters could include information on any matching funds or in-kind resources that partners will provide.



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